GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Finance Department - Andhra Pradesh Business Rules & Secretariat Instructions – Referral of files for concurrence of the Finance Department -Procedure to be followed– Orders - Issued.

FINANCE (PMU-RA&EO) DEPARTMENT

G.O.Rt. No.27 **Dated:22/01/2024**

Read the following:

1. G.O.(P).No.4, General Administration (Cabinet-II) Department, dated 28-11-2018
2. G.O.(P).No.1, General Administration (Cabinet-II) Department, dated 27-10-2023.
3. U.O. Note No. FIN01-HODS0ADWA/1/2021, Finance (Admn.II-DWA-PAO) Department, dated 01-03-2021

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ORDER:

The General Administration Department, GoAP, in the references 1st & 2nd read above, has issued instructions to all the Secretariat Departments regarding adherence to the A.P. Business Rules and Secretariat Instructions, while processing the files.

2. In the reference 3rd read above, the Finance Department has requested all the Secretariat Departments to comply with the aforementioned rules & instructions & invariably obtain the approval of Finance Department prior to according the administrative sanctions, duly informing that issuance of administrative sanction orders without prior concurrence of the Finance Department, shall attract disciplinary action on the concerned departmental officials under the Rule 9 of A.P.C.S. (CCA) Rules, 1991.

3. Further, the AP Secretariat Instructions 2023, Rule 4(4) states as follows:

> "While circulating the files the Secretary shall invariably mention in the circulation note the Business Rule under which the file is proposed for circulation and shall indicate the specific issue on which orders in circulation are sought in the last para of the circulation Note. In cases where alternative courses of action are possible, Secretary shall record his specific recommendation on the course of action to be taken."

4. However, despite the clear instructions mentioned above, during the circulation of files for Finance concurrence, recurrent deviations and deficiencies in the circulation procedure adopted & in the notings made in the files are

noticed, and this order is issued to reiterate the procedure to be adopted by all the Departments.

5. The Secretariat Departments have to mandatorily refer certain types of files to the Finance Department for seeking the concurrence in terms of the A.P. Business Rules & Secretariat Instructions,& such files can be grouped into the following categories.

a. HR related - recruitment, promotions, etc.
b. Budget related - sanctions, releases, re-appropriations, additional funds,etc.
c. Procurement related- projects/works, goods & services- administrative sanctions and revised administrative sanctions.
d. Programs/schemes related.
e. Institution related - new and upgradation.
f. Policy related – Acts, Regulations, GOs, etc.
g. Procedure related – guidelines and frameworks

6. The following table, illustrates the relevant Business Rules and Secretariat Instructions relating to the categories of files, for which the concurrence of the Finance Department is required as per the Rules. The list is illustrative and not exhaustive.

S.No	Categories of Files	Relevant Business Rules & Secretariat Instructions
1	HR related	Rule 10(A)(1)(b): Secretariat Instructions 17, 23, 25(6) & 26(2)
2	Budget related	Rule 10(A)(3): Rule-13 & 15 Rule-Third Schedule-Column(2)- under "Financial Matters" cases - Para(16) (Pages 226 & 227) Secretariat Instruction 17 – Finance Consultation
3	Procurement related	Rule 10(A)(1) Secretariat Instruction 20
4	Policy related	Rule 10(A)(1) Secretariat Instruction 22(2). Secretariat Instruction 24 - Reference to Accountant General.
5	Others	Rule 10(A)(2) Rule 10(A)(4) Rule 13 & 15 Rule-Third Schedule-Column(3)-Para(29) (page 223). Secretariat Instruction 4(4)

7. In the aforementioned circumstances, duly keeping the provisions of the A.P. Business Rules & Secretariat Instructions in view, & in order to streamline the process of seeking and according of concurrence by the Finance Department, the Government after careful examination, issues the following order.

8. The concurrence by the Finance Department shall be accorded, with due regard to the need to follow due process, ensure fiscal prudence, generate value from public spending, & it is incumbent upon all the administrative departments to review the proposal on the following points, before sending the same for concurrence to the Finance Department.

(a) Specificity- The proposal should clearly mention (i) the specific issues on which the concurrence is being sought & (ii) the Business Rules & Secretariat Instructions under which the concurrence is being sought.

(b) Procedural compliance–The administrative department shall verify the following aspects, prior to submission of the proposals.

i. compliance with procedure as per AP Business Rules & Secretariat Instructions.
ii. prior consultation/inputs of other Departments, where required.
iii. obtaining of approval by the competent authority.
iv. seeking approval of the Council of Ministers, where required.

(c) Relevance –The objective of the proposal shall be clearly stated & shall be relevant to the achievement of the priorities of Government.

(d) Recommendation of the Secretary-The Department should make the case & furnish the proposal with the specific recommendation of the Secretary concerned.

(e) Reasonableness–The financial reasonableness of the proposal in terms of cost shall be determined by the Finance Department based on the following parameters:

i. Budget allocation:
   a. the proposal being within the budget allocation made for the financial year.
   b. if not, whether the Department is proposing re-appropriation to cover the additional expenditure arising out of the new proposal.
   c. the proposal being within the FRBM limits for the HoA.
   d. if not, additional funds would have to be provisioned.

ii. Codal Provisions, Norms, Guidelines, etc:
   a. codal requirement compliance viz. Finance/Treasury/Accounts code, etc.
   b. conformity with other government rules, regulations, policies, etc.
   c. compliance with procurement norms and guidelines.
   d. price/estimate based on latest Standard Schedule of Rates (SSR).

e. norms/specifications/benchmarks/guidelines issued by the competent state /national authorities & the manner in which the proposal conforms with such norms/specifications, etc.
f. practices followed in other states/cities/countries & differentiation, if any.
g. existing scheme/practice & justification for revision/replacement/ augmentation.
h. price discovered in procurement, within or outside the state earlier.
i. any deviation from norm/standard proposed to be justified with reasons.

iii. Financial value for money:
a. all options to be considered & documented, with respective pros & cons.
b. justification to be provided for the selected proposal among the options
c. technical feasibility, financial feasibility, economic viability, and value for money analysis to be made & clearly exhibited in the project proposals to merit the approval.

9. Keeping in view of the above, all the Secretariat Departments are instructed to circulate files for concurrence of Finance Department, without deviating from the aforementioned procedure, & inter alia mandatorily refer the Andhra Pradesh Business Rules-2018 & the Secretariat Instructions-2023, mention clearly the issue/s on which advice/concurrence is being sought & make their specific recommendations on the issue/s, without fail.

10. All the Secretariat Departments shall take necessary action as per the above.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr. K.S. JAWAHAR REDDY, IAS
CHIEF SECRETARY TO GOVERNMENT

To
All Special Chief Secretaries/Principal Secretaries/Secretaries to the Government
Copy to
All the Head of Departments in the State
All Secretaries in the Finance Department
All MLOs in Finance Department
P.S. to Chief Secretary/Minister of Finance/Secretary to Chief Minister
SF/SC (Computer No.2271276)

//FORWARDED :: BY ORDER //

R Rama Lingam
SECTION OFFICER